

**§ 10.823 Effect of non-compliance; failure to provide documentation regarding transshipment of non-originating fabric or apparel goods.**

(a) *General.* If an importer of a good for which a TPL claim is made fails to comply with any applicable requirement under this subpart, the port director may deny preferential tariff treatment to the imported good.

(b) *Failure to provide documentation regarding transshipment.* Where the requirements for preferential tariff treatment set forth elsewhere in this subpart are met, the port director nevertheless may deny preferential tariff treatment to a good for which a TPL claim is made if the good is shipped through or transshipped in a country other than a Party, and the importer of the good does not provide, at the request of the port director, evidence demonstrating to the satisfaction of the port director that the requirements set forth in § 10.822 of this subpart were met.

ORIGIN VERIFICATIONS AND  
DETERMINATIONS

**§ 10.824 Verification and justification of claim for preferential treatment.**

(a) *Verification.* A claim for preferential treatment made under § 10.803 of this subpart, including any declaration or other information submitted to CBP in support of the claim, will be subject to such verification as the port director deems necessary. In the event that the port director is provided with insufficient information to verify or substantiate the claim, the port director may deny the claim for preferential treatment.

(b) *Applicable accounting principles.* When conducting a verification of origin to which Generally Accepted Accounting Principles may be relevant, CBP will apply and accept the Generally Accepted Accounting Principles applicable in the country of production.

**§ 10.825 Issuance of negative origin determinations.**

If, as a result of an origin verification initiated under this subpart, CBP determines that a claim for preferential tariff treatment made

under § 10.803 of this subpart should be denied, it will issue a determination in writing or via an authorized electronic data interchange system to the importer that sets forth the following:

(a) A description of the good that was the subject of the verification together with the identifying numbers and dates of the export and import documents pertaining to the good;

(b) A statement setting forth the findings of fact made in connection with the verification and upon which the determination is based; and

(c) With specific reference to the rules applicable to originating goods as set forth in General Note 30, HTSUS, and in §§ 10.809 through 10.817 of this subpart, the legal basis for the determination.

PENALTIES

**§ 10.826 Violations relating to the BFTA.**

All criminal, civil, or administrative penalties which may be imposed on U.S. importers for violations of the customs and related laws and regulations will also apply to U.S. importers for violations of the laws and regulations relating to the BFTA.

GOODS RETURNED AFTER REPAIR OR  
ALTERATION

**§ 10.827 Goods re-entered after repair or alteration in Bahrain.**

(a) *General.* This section sets forth the rules that apply for purposes of obtaining duty-free treatment on goods returned after repair or alteration in Bahrain as provided for in subheadings 9802.00.40 and 9802.00.50, HTSUS. Goods returned after having been repaired or altered in Bahrain, whether or not pursuant to a warranty, are eligible for duty-free treatment, provided that the requirements of this section are met. For purposes of this section, “repairs or alterations” means restoration, addition, renovation, re-dyeing, cleaning, re-sterilizing, or other treatment which does not destroy the essential characteristics of, or create a new or commercially different good from, the good exported from the United States.

(b) *Goods not eligible for treatment.* The duty-free treatment referred to in paragraph (a) of this section will not

apply to goods which, in their condition as exported from the United States to Bahrain, are incomplete for their intended use and for which the processing operation performed in Bahrain constitutes an operation that is performed as a matter of course in the preparation or manufacture of finished goods.

(c) *Documentation.* The provisions of paragraphs (a), (b), and (c) of § 10.8 of this part, relating to the documentary requirements for goods entered under subheading 9802.00.40 or 9802.00.50, HTSUS, will apply in connection with the entry of goods which are returned from Bahrain after having been exported for repairs or alterations and which are claimed to be duty free.

### Subpart O—Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006

SOURCE: CBP Dec. 07-43, 72 FR 34369, June 22, 2007, unless otherwise noted.

#### § 10.841 Applicability.

Title V of Public Law 109-432, entitled the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE I Act), amended the Caribbean Basin Economic Recovery Act (the CBERA, 19 U.S.C. 2701-2707) by adding a new section 213A (19 U.S.C. 2703A) to authorize the President to extend additional trade benefits to Haiti. part I, Subtitle D, Title XV of Public Law 110-234, entitled the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II Act) amended certain provisions within section 213A. Section 213A of the CBERA provides for the duty-free treatment of certain apparel articles and certain wiring sets from Haiti. The provisions of this subpart set forth the legal requirements and procedures that apply for purposes of obtaining duty-free treatment pursuant to CBERA section 213A.

[CBP Dec. 08-24, 73 FR 56725, Sept. 30, 2008]

#### § 10.842 Definitions.

As used in this subpart, the following terms have the meanings indicated unless either the context in which they

are used requires a different meaning or a different definition is prescribed for a particular section of this subpart:

(a) *Apparel articles.* “Apparel articles” means goods classifiable in Chapters 61 and 62 and headings 6501, 6502, 6503, and 6504 and subheadings 6406.99.15 and 6505.90 of the HTSUS;

(b) *Applicable one-year period.* “Applicable one-year period” means each of the following one-year periods:

(1) *Initial applicable one-year period.* “Initial applicable one-year period” means the period beginning on December 20, 2006, and ending on December 19, 2007;

(2) *Second applicable one-year period.* “Second applicable one-year period” means the period beginning on December 20, 2007, and ending on December 19, 2008;

(3) *Third applicable one-year period.* “Third applicable one-year period” means the period beginning on December 20, 2008, and ending on December 19, 2009;

(4) *Fourth applicable one-year period.* “Fourth applicable one-year period” means the period beginning on December 20, 2009, and ending on December 19, 2010; and

(5) *Fifth applicable one-year period.* “Fifth applicable one-year period” means the period beginning on December 20, 2010, and ending on December 19, 2011;

(c) *Customs territory of the United States.* “Customs territory of the United States” means the 50 states, the District of Columbia, and Puerto Rico;

(d) *Declared customs value.* “Declared customs value” means the appraised value of an imported article determined in accordance with section 402 of the Tariff Act of 1930, as amended (19 U.S.C. 1401a);

(e) *Enter; entry.* “Enter” and “entry” refer to the entry, or withdrawal from warehouse for consumption, in the customs territory of the United States;

(f) *Entity controlling production.* “Entity controlling production” means an individual, corporation, partnership, association, or other entity or group that is not a producer and that controls the production process in Haiti through a contractual relationship or other indirect means;